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DE RUEHIT #0115 0791315
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FM AMCONSUL ISTANBUL
TO RUEHC/SECSTATE WASHDC PRIORITY 8856
INFO RUEHAK/AMEMBASSY ANKARA PRIORITY 8174
RUEKJCS/SECDEF WASHDC PRIORITY
RHMFISS/FBI WASHINGTON DC PRIORITY
RUCPDOG/DEPT OF COMMERCE WASHDC PRIORITY
RUEAIIA/CIA WASHDC PRIORITY

UNCLAS ISTANBUL 000115

SENSITIVE
SIPDIS

PM/DTCC - BLUE LANTERN COORDINATOR

E.O. 12958: N/A
TAGS: [ETTC](#) [KOMC](#) [TU](#)
SUBJECT: BLUE LANTERN LEVEL 3: POST-SHIPMENT END-USE CHECK
ON LICENSE 050111816

REF: SECSTATE 20184

¶1. (SBU) SUMMARY: In response to reftel, we met with EMPA Electronics Managing Director Mehmet Horsanali and one of his consultants, Yurdakul Alpay on March 13, 2009, to conduct a post-shipment end use check on License 050111816 and, specifically, to confirm the bona fides of EMPA and to review reftel questions. Embassy Ankara will report its discussions with the Turkish Air Force and Mikes via septel.

¶2. (SBU) EMPA Electronics, a supplier and distributor of semiconductors and electrical components, including connectors and relays, was founded in 1982 and is a privately held company that employs approximately 35 people in its Istanbul office. The major shareholders of the company are Vural Akman, Kemal Akman and Mehmet Horsanali, who together own a controlling interest in the company. EMPA has overseas offices in Hong Kong, Dubai and the United States. EMPA does not serve as a broker; rather, it is an authorized distributor and representative, whose suppliers include Texas Instruments, XILINX and STMicroelectronics. EMPA's customer base consists of white goods producers, military contractors, research groups and the Government of Turkey: Mikes, Vestel, Arcelik, Aselsan, The Scientific and Technological Research Council of Turkey (TUBITAK) and the Ministry of Defense (MOD) are all clients. With a well-staffed office located in the Istanbul World Trade Center, minutes from the airport, the company gives every appearance of being an established business firm.

¶3. (SBU) Last year, EMPA purchased 20 military electrical connectors (purchase price: \$13,450) from Amphenol Corporation, a Wallingford, Connecticut based company which designs, manufactures and markets electrical, electronic and fiber optic connectors and interconnect systems. These connectors will be used in the AN-ALQ-178(v)5 radar and jamming system for the F-16 aircraft. EMPA then sold the items to Mikes (Microwave Electronics Systems, Inc.), an Ankara based company that specializes in the design, development and production of Electronic Warfare Systems (EWS), Mikes is a supplier for the Turkish Air Force. On February 7, 2008, Mikes issued a Letter of Intent (LOI) to Amphenol Corporation, using EMPA as the intermediary. The Turkish Ministry of Defense (Turkish Air Force) was listed as the Foreign End-User. Horsanali was quite forthcoming, and even brought in a staff assistant to show us the LOI, which we perused. We did not specifically request to see an invoice.

¶4. (SBU) Comment: EMPA utilizes two secure duty free

zones at the Ataturk International Airport in Istanbul. Generally, it maintains its overseas imports at one of these two free zones until the local client takes delivery of the goods. In response to our queries, Horsanali stated that the facilities in the free zones at the airport were secure, and that the company had procedures in place to handle sensitive United States Munitions List (USML) items. He stated further that his company had been in this line of business for many years, and understood the restriction on USML items. When asked, he said that his company was not in a position to confirm whether or not Mikes eventually delivered the components to the Ministry of Defense.

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Wiener